

WASHINGTON, DC - Today, Rep. Pete Stark (D-CA), Senior Democrat on the Ways and Means Health Subcommittee, introduced “the Fair Balance Prescription Drug Advertisement Act.” The legislation removes the corporate tax deduction for direct-to-consumer (DTC) prescription drug advertisements that do not present the benefits and risks of the medications they promote in a fairly balanced manner.

“Today’s pharmaceutical ads present glowing testimonials for their products as wonder drugs while drastically downplaying their products’ serious risks or side effects. The result is that patients are asking their doctors to prescribe medications that may be unnecessary, inappropriate or even harmful. Many doctors, rather than educating their patients, simply fill the prescriptions. This behavior is dangerous for patients and costly for our health care system because it irresponsibly escalates drug spending,” said Rep. Stark.

“Americans are clamoring for Congress to address the skyrocketing cost of prescription drugs. Yet, the Medicare prescription drug bill now in conference goes the other way. That’s right. The Republican Medicare bill explicitly prohibits the government from interfering in any way to lower drug prices for seniors on Medicare. The Fair Balance Prescription Drug Advertisement Act is a simple step we can take today to lower drug prices for people of all ages without having it trapped in a conference committee on Medicare that is making precious little progress,” continued Rep. Stark.

“I’m pleased to be joined by the California Public Employees’ Retirement System (CalPERS) in support for this legislation. CalPERS provides retirement and health benefits to more than 1.3 million members in California so they are in the exact position to know the need for controlling rising drug costs,” said Rep. Stark.

CalPERS’ President Sean Harrigan said the following, “Rep. Stark’s bill is the best medicine for reining in the costs of drugs while ensuring consumers get the real truth about the benefits and risks of direct-to-consumer advertised drugs.”

The Fair Balance Prescription Drug Advertisement Act would require that print advertisements display the pros and cons of a particular drug in equal typeface and space, and on the same or facing pages. In television and radio advertisements, risk and benefit descriptions would be allotted equal airtime and volume level. Pharmaceutical ads that do not

follow these guidelines would not be eligible for an advertising tax deduction.